



KANSAS HMEP GRANT GUIDE

2018-2019

The Hazardous Materials Emergency Preparedness (HMEP) grant program provides financial and technical assistance as well as national direction and guidance to enhance state, territorial, tribal, and local hazardous materials emergency planning and training. An overview of HMEP grant planning, training and prevention standards, application for funds, progress reporting, and grant closing requirements is described in this document.

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1. HMEP GRANT PROGRAM OVERVIEW

PURPOSE

The Hazardous Materials Transportation Safety and Security Reauthorization Act of 2005 authorizes the United States Department of Transportation (USDOT) to provide assistance to public sector employees through training and planning grants to States, Territories, and Native American Tribal Nations for emergency response. The HMEP grant funds are to be used for:

- Transportation-related hazardous materials safety planning and training expenditures and activities.
- Efforts that lead to increased effectiveness in safely and efficiently handling hazardous materials accidents and incidents.

HMEP GRANT PROCESS

The dates are listed in the Application Process section. The steps involved in the grant process are:

- Seeking sub grant applications from Local Emergency Planning Committees (LEPCs).
- Review of sub grant applications by the Kansas Division of Emergency Management (KDEM).
- Approval of sub grant applications by the Governor's Commission on Emergency Planning and Response (CEPR).
- Submission of state proposal to USDOT Pipeline and Hazardous Materials Safety Administration (PHMSA) for hazardous materials planning and training.
- Review and approval of the state proposal by USDOT PHMSA.
- Sub award notification to LEPCs.

The total process takes approximately 8-10 months.

FUNDING PRIORITIES

The priorities identified by the KDEM are listed below in the ranked order listed below by category:

Planning:

- Regional commodity flow studies/hazards analysis.
- Response capabilities assessment.
- Develop or revise hazardous materials plan.
- Hazardous materials drills and exercises to test emergency response capabilities/emergency response plan.
- Funds for attending hazardous materials conferences and symposiums.

Training:

- NFPA 472 core competency training courses.
- NFPA 472 mission specific training courses.
- Chemical specific response training.
- Hazardous materials drills and exercises to identify gaps in training.
- Other training courses authorized by USDOT.

PERFORMANCE PERIOD

The performance period for the FY 2016-2019 HMEP grant is 3-year. The first year required detailed grant application. Continuing applications are submitted in subsequent years and describe in detail the proposed activities for the upcoming year, or explain any changes in previously approved activities. Funds for FY 2016 were available per The Consolidated Appropriations Act, 2016 (P.L. 114-113). Funding for Year 2

and Year 3 are provided in subsequent appropriations acts and is subject to the availability of funds. KDEM submitted a detailed proposal for FY16 and a continuing proposal for FY17 respectively, based on the HMEP sub grant application received from LEPCs and the priorities determined by the state. Continuing application for the FFY2018-2019 grant period will adhere to the requirements listed in the terms and conditions of the FY 2016 federal grant award. The due date for submitting continuing application is:

- Continuing application for Year-3 is due on March 30, 2018.

Year-1 obligated funds automatically carry over to Year-2. Year-3 funds may be offset, if grantees are found to lack basic levels of progress in the grant project across the first 2 years. The terms and conditions of the award identifies what constitutes insufficient progress, which may trigger an offset in year-3.

As funding is available on a yearly basis, and Year 3 funding is subject to the availability of funds, KDEM implements the HMEP grant program on a year to year basis at the state level. The performance period for the FFY 2018-2019 HMEP grant is September 30, 2018 - September 30, 2019. However, KDEM will require that LEPCs close their grant by August 31, 2019 to allow KDEM sufficient time to close the grant. Multiyear sub grant proposals will not be considered for funding as we are in the last phase of the grant.

Since the funding mechanism is tied to applicant's progress, the subrecipients must expend the awarded funds in a timely manner as outlined in their proposals. Any LEPCs who did not start their project(s) by March 30, 2018 must notify KDEM in writing if the LEPC still wants to continue the project(s), withdraw the project(s), or request a reduction of allocated funds. If a LEPC chooses to withdraw the project or requests a reduction of the allocated funds, the unused funds will be de-obligated and the monies will be reallocated for other projects.

2. KANSAS HMEP GRANT SCHEDULE

APPLICATION PROCESS

The HMEP grant application process includes the following steps:

- December 4, 2017: KDEM solicits LEPC project proposals for FFY 2018-2019 grant period.
- January 31, 2018: Deadline for LEPCs to submit FFY 2018-2019 HMEP sub grant applications to KDEM.
- February 12, 2018: HMEP sub grant applications received from LEPCs are reviewed by the HMEP grant review committee. Selected applications are submitted to the CEPR for approval at the March 2018 quarterly meeting.
- March 30, 2018: Deadline for KDEM to submit HMEP continuing grant application to USDOT PHMSA.
- Selected sub-grantee applications are submitted as amendment to the original application.
- September 30, 2018: Deadline for USDOT PHMSA to notify states on the grant award.
- October 15, 2018: Deadline to notify LEPCs of grant awards; contracts are mailed to the LEPCs.

SUB AWARD TIMELINE

The grant sub award timeline is as follows:

- **September 30, 2018:** FFY 2018-2019 grant performance period begins.
- **August 31, 2019:** ALL FY2018-2019 grant activities are brought to an end. No extension will be allowed.

PROGRESS REPORT

Quarterly progress reports are required from the subrecipients. KDEM uses this information in a report to USDOT PHMSA to track progress. Mid-year and final reports are mandatory for reporting to USDOT PHMSA. The deadlines for progress reports from LEPCs are:

- January 15, 2019 - Deadline for submission of quarter-1 report to KDEM.
- April 15, 2019 - Deadline for submission of mid-year report to KDEM.
- July 15, 2019 - Deadline for submission of quarter-3 report to KDEM.
- August 31, 2019 - Deadline for submission of final report to KDEM.

3. ELIGIBILITY, FUND ALLOCATION, AND DISTRIBUTION

ELIGIBILITY AND FUNDING ALLOCATION

Eligibility conditions and funding allocation criteria for the HMEP grant are:

- LEPCs are eligible to apply for HMEP funds to develop, improve, and implement emergency plans under the planning grant program. Eligible LEPCs must be active, have a current membership form, by-laws, and a compliance certification form on file with the state.
- The HMEP grant focuses on two areas, hazmat training and planning. The HMEP planning and training allocations for FFY 2018-2019 are: Total: \$321,500. Grantees are required to spend a minimum of 75% of the HMEP grant funds for grant-related activities.
- Typically, KDEM uses approximately 90% of the HMEP funds for the LEPCs activities related to hazmat planning or training and 10% for administrative activities.
- The planning activities include support to LEPCs to conduct commodity flow surveys, tabletop exercises, hazardous analyses, and exercises to improve their community's ability to respond to hazardous materials incidents.
- The training activities include hazardous materials trainings that are compliant with applicable national and federal standards and that enable first responders to safely and effectively handle transportation related hazardous materials accidents and incidents.

SUBAWARD CONDITION

By acceptance of a HMEP award, subrecipients will certify that the emergency responders who receive training under the grant will have the ability to protect nearby persons, property, and the environment from the effects of accidents or incidents involving the transportation of hazardous material in accordance with existing regulations or National Fire Protection Association standards for competence of responders to accidents and incidents involving hazardous materials.

4. COST SHARING: REQUIRED 20% MATCH

Per 49 U.S.C § 5116(e), the recipient must provide 20% of the allowable direct and indirect planning and training costs of activities covered under this award from non-federal federal sources. Recipients may either use cash (hard match), in-kind (soft match) contributions, or a combination of both to meet this requirement. The types of contributions allowed are listed in 49 CFR 110.60 and 2 CFR 200.206. Matching costs and contributions also must meet the requirements of 2 CFR 200.306, including that the costs must meet the same requirements of allowability as apply to HMEP funds. Recipients are required to maintain documentation of how the matching requirements have been met. This documentation may be reviewed

during KDEM's monitoring schedule of grants. A lack of documentation for the statutory requirements may result in the subrecipient being designated high risk and placed on a corrective action plan, or the recovery of disallowed costs. Federal funds may be expended before non-federal matching funds, provided that total program costs at completion of the program year reflect the 80 percent federal and 20% non-federal allocation of costs. The matching requirement is in addition to the maintenance of effort required of recipients of HMEP awards under 49 U.S.C. § 5116(a) (2). Subrecipients may use matching funds from the object classes: salary; equipment or supply purchase; space usage; the value of a participant's time during an allowable activity; unrecovered indirect costs, or the dollar value of a grant-related activity or purchase. Subrecipients must continually examine funding priorities to ensure that activities and/or expenditures counted as matching towards the planning grant are used for allowable planning-related activities. Records must show how the value of a contribution is made. 2 CFR 200.306 provides more details on match requirements and expectations. Grantees (States and Tribes) are required to provide the 20% match and may use the following:

- Cash (hard-match).
- In-kind contributions (soft match).
- A combination of in-kind or soft match plus hard-match to meet this requirement.

Cost sharing or matching funds for all federal awards must be accepted if the contributions are:

- Verifiable from the non-federal entity's records and be maintained with the same level of effort as Federal funds.
- Records must show how the value of a contribution is made. 2 CFR §§ 400-475 provide more detail on match requirements and expectations.
- Not included as contributions for any other federal award.
- Necessary and reasonable for accomplishment of project or program objectives.
- Allowable under the cost principles.
- Not government funds from another federal award unless authorized by statute.
- Provided for in the approved budget when required by the federal awarding agency; and
- Unrecovered indirect costs may be included as part of the cost sharing or matching only with prior approval on the awarding agency.

The 20% match may either be cash (hard match), in-kind (soft match), or a combination of both. The matching share must be unobligated money; funds or costs used for matching purposes under any other federal grant (e.g. EMPG, DHS, HMGP, etc.) or cooperative agreement cannot be used for matching purposes since they are already federal dollars.

Match documentation must include a detailed description of activities, date, time, etc. Activities and/or expenditures counted as matching towards the planning grant must be used for approved planning activities. Activities and/or expenditures counted as matching towards the training grant must be used for approved training activities (refer to 2 CFR 200.206 for details).

Total Project Cost				
Total Project Cost	=	Federal Award + Match		Federal Award to LEPC
\$25,000	=	\$20,000 + \$5,000		\$20,000

Calculation of Non-Federal Match				
Federal Award		20% Match*	=	Non-Federal Match
\$20,000		20/80	=	(20/80) x \$20,000 = \$5,000

*The ratio of non-federal (20%) to federal funds (80%) = $20/80 = 0.25$. Thus, non-federal funds on an investment equal to 25% of federal funds allocated to that investment.

The total cost of training (\$25,000.00) thus can be counted as the sum of all costs to carry out an activity. For providing a hazmat training, it can be considered as the sum of course fees, salary and benefits that is used as match (of the responders while in training), facility space required for providing the training, etc.

5. ALLOWABLE, CONDITIONALLY ALLOWABLE AND UNALLOWABLE EXPENDITURES

The examples of allowable activities provided below are not all-inclusive, and the absence of a specific activity does not preclude its possible approval. Conversely, all proposed activities are for reference only, and will be considered according to various factors, including the cost- benefit relationship of the specific activity proposed. Subrecipients do not have permission to engage in any item listed as an approved activity simply because it is listed as an allowable activity. Prior approval from USDOT PHMSA is mandatory. The expenditure and activities listed herein are only meant to serve as examples of the type of expenditures and activities that USDOT PHMSA has previously funded. This is a living document that is updated and modified annually as needed.

EXAMPLES OF ALLOWABLE, CONDITIONALLY ALLOWABLE, AND UNALLOWABLE PLANNING EXPENDITURES

Allowable expenditures are those that are reasonable, necessary, and allocable to the approved project consistent with 2 CFR part 200. Conditionally allowable expenditures are only allowable from certain funding sources, or when the expenditures meet other conditions. Unallowable expenditures are costs specified by law or regulation, Federal cost principles, or special terms and condition of award that may not be reimbursed under this grant. Examples for all three categories are listed below:

Allowable Planning Expenditures

Examples of allowable planning expenditures:

- Enhancing hazardous materials plans.
- Developing, improving, and implementing emergency plans required under the Emergency Planning and Community Right-to-Know Act of 1986.
- Conducting workshops, drills, and exercises associated with hazmat emergency plans.
- Risk assessments to enhance hazmat plans.
- Capability assessments that evaluate the ability for first responders, non-governmental organizations, and other involved stakeholders to respond to a hazmat emergency.
- Gap analysis to enhance planning objectives.
- Improving interagency interoperability to better respond to and mitigate hazmat incidents.
- Determining commodity flow transportation patterns of hazmat and developing and maintaining a system to keep such information current.

- Assessing the need for regional hazmat emergency response teams.
- Providing technical staff to support planning efforts.
- Aerial photography for use with commodity flow study research.
- Supplies and equipment required for HMEP grant-funded exercises and activities.
- Participation in hazmat conferences and workshops.

Allowable Planning Courses

Examples of allowable planning courses:

- Courses aimed at developing, improving, and implementing emergency plans under the Emergency Planning and Community Right-to-Know Act (EPCRA) sections 301 and 303 (42 U.S.C. 116);
- Hazmat transportation emergency preparedness and response courses.
- Hazmat risk analysis.
- Commodity flow study courses.
- Regional response strategy selection courses.
- Risk assessments to enhance plans.

Conditionally Allowable Planning Expenditures (Subject to approval by USDOT PHMSA)

Examples of conditionally allowable planning expenditures:

- LEPC meeting expenses – conditions include: LEPC meeting expenses are allowable when pertaining to HMEP.
- Hospital drills – conditions include: decontamination from a transportation incident (radiological, chemical, or other hazmat).
- Emergency operations center (EOC) leadership exercises – conditions include: leadership exercises for events concerning hazmat preparedness and response.
- Title III Software (e.g., CAMEO/PEAK/PLUME) – use of software must be tied to planning for hazmat transportation related accidents/incidents.
- Fixed-facility hazmat preparedness – conditions include: exercises and plans that include transportation of materials to and from fixed-facilities; exercises that test the same capabilities that would be used to respond to a hazmat transportation incident.
- Food or refreshments – conditions include: working lunches for exercises or planning sessions that extend hours before and after lunchtime, or that are in remote locations where food establishments are not in close proximity.
- Exhibitors for outreach and preparedness booths – activity must tie-in to hazardous materials transportation.
- Statewide conference emphasizing hazmat emergency response capabilities, collaboration, networking, and planning opportunities for responders, particularly those related to transportation. Conditions include: transportation hazmat-themed schedule.
- Regional hazmat conferences and workshops, specifically those related to transportation.
- Fire Department Instructors Conference (FDIC): Comprehensive training for all levels of fire service practitioners with more than 24 hands-on training evolutions, 34 pre-conference workshops, and more than 160 classroom presentations. Conditions include: transportation hazmat-themed schedule
- FRI (Fire Rescue International): Presented by the IAFC, Fire Rescue International (FRI) annually brings together more than 13,000 fire and emergency service leaders from across North America and around the globe for 5 days of networking, learning, and collaboration. Conditions include: transportation hazmat-themed schedule.

Unallowable Planning Expenditures

Examples of unallowable planning expenditures:

- Tier II chemical inventory reports.
- Tier II databases.
- Virtual incident management system.
- WebEOC (EOC-emergency operations center) mapping.
- Public official's conference that does not have a tie-in to hazardous materials transportation.
- Town-wide alert system mass notification or other public alert and warning systems; development and distribution of a hazmat calendar.
- Entertainment costs, foreign travel.
- Any costs disallowable or stated as ineligible in 49 CFR part 110 Expenses counted as match funds toward another Federal grant program or cooperative agreement.
- Any cost specifically prohibited in the general terms and conditions of the award, or special terms and conditions listed on the notification of grant award (remarks section).

Allowable Exercise Expenditures

Exercises can fall under planning or training. In general, tabletop and functional exercises are considered as planning activities. Hazardous materials drills and full scale exercises, on the other hand, are considered as training activities. Exercises within the scope of the HMEP grant fall under two categories:

- ***Discussion-based***

These exercises familiarize players with current plans, policies, agreements, and procedures, as well as provide a medium for developing new plans, policies, agreements and procedures. Discussion-based exercises may involve single or multiple agencies and/or functions. Though they generally only cover broad topics, they involve little or no cost, modest time commitments and are a quick method to brief persons or organizations on unfamiliar topics. Discussion based exercises are usually funded under the HMEP planning grant. Examples are:

- Seminars.
- Workshops.
- Tabletop exercises.

- ***Operations-based***

These exercises are used to validate the plans, policies, agreements, and procedures solidified in discussion-based exercise. They can clarify roles and responsibilities, identify gaps in resources needed to implement plans and procedures, and improve individual and team exercises, player action is designed to mimic reaction, response, mobilization, and commitment of personnel and resources in real time play. Operations-based exercises are usually funded under the HMEP training grant performance. Operations-based exercises are characterized by actual reaction to simulated intelligence, response to emergency conditions, mobilization of apparatus, resources, and/or networks, and commitment of personnel, usually over an extended period of time. Examples are:

- Drills.
- Functional exercises.
- Full scale exercise.

Unallowable Exercise Expenditures

Examples of unallowable exercise expenditures:

- Natural disaster exercises (e.g., urban avalanches, pandemic flu, wildfire, earthquake).
- All-hazards hazards warning system drills.
- Joint terrorism task force (JTTF) exercises.

Conditionally Allowable Exercise Expenditures

Examples of unallowable exercise expenditures:

- Hospital drills.
- EOC leadership exercises.

TRAINING REQUEST AND APPROVAL

KDEM Directive #3006 outlines the process for requesting training courses that are state and federal level courses offered through the DHS/FEMA when federal grant funds of the *State Homeland Security Program (SHSP)*, *Emergency Management Performance Grant (EMPG)* or *Hazardous Material Emergency Preparedness (HMEP)* grant funds. Attached are copies of KDEM Directive # 3006 (Appendix F) and the *Training Request Form* (Appendix G). Please contact KDEM's Training Office for a list of courses that are available through DHS/FEMA/other federal/state entities for free to Kansas responders.

EXAMPLES OF ALLOWABLE, CONDITIONALLY ALLOWABLE, AND UNALLOWABLE TRAINING EXPENDITURES

Allowable Training Expenditures

Training grants can be used for training public sector employees to respond safely and efficiently to accidents and incidents, including those involving transportation of hazardous materials. Training may also be designed for volunteer responders, public officials who are not responders but who perform activities associated with emergency response planning or training developed under EPCRA. Eligible training activities may include:

- Emergency response drills and exercises associated with training, a course of study, and tests and evaluation of emergency preparedness plans.
- Management of the training effort to achieve increased benefits, proficiency, and rapid deployment of public service employees who respond to accidents and incidents involving hazardous materials.
- Expenses associated with training by a person (including a department, agency, or instrumentality of a state or political subdivision thereof or a tribal nation). Activities necessary to monitor such training including, but not limited to, examinations, critiques and instructor evaluations.
- Reimbursement for instructor(s) and trainees for tuition and travel expenses (lodging and per diem) to and from a training facility.
- Facility rental cost reimbursement; and
- Expenses associated with training, such as staff to support the training effort, evaluation forms.

Allowable Training Courses

Examples of allowable training courses:

- Hazmat Incident Command System (ICS).
- National Fire Protection Association (NFPA) 472 or Occupational Safety and Health Administration (OSHA) 29 CFR 1910.120 Competency Requirement Suggested Courses.
- Hazmat awareness, operations, technician, specialist, and refresher courses.

- Hazmat incident commander.
- Hazmat officer/safety officer.
- Industrial firefighting - (rail yards, fuel transfer facilities, and ports).
- Confined Space Rescue.
- Hazmat basic life support/advance life support.
- Chemistry for emergency responders.
- Explosive ordnance disposal/explosives in transportation.
- Radiological sources in transportation (but not weapons of mass destruction).
- Tank car specialty.
- Intermodal tank specialty.
- Flammable liquid bulk storage.
- Flammable gas bulk storage intermodal tank specialty.
- First receiver awareness training.
- Crude oil training.
- Cargo tank specialty.

Other Allowable Training Courses

Examples of other allowable training courses:

- Ammonia, ethanol, chlorine response.
- Alternative fuels, used in transportation.
- Developing a plan of action.
- Chemistry of hazmat-part I/II.
- Surveying a hazmat incident.
- Level A/level B personal protective equipment.
- Hazmat for emergency management system (EMS).
- Hazmat for dispatcher.
- Hazmat containers.
- Hazardous materials monitoring refresher.
- Hazmat level B dress-out and decontamination.
- Hazmat technical decontamination refresher.
- Hazmat containment and control.
- Haz-Cat training.
- Pipeline training.
- Radioactive material specialty in transportation.
- Hazmat IQ training (Above and below the line, Advanced IQ & Tox Medic).
- Emergency medical technician (EMT) training for hazmat.
- CAMEO training, particularly related to transportation.
- Employee hazmat emergency response readiness training.
- National Association of SARA Title III program officials (NASTTPO) conference.
- Hazmat continuing challenge workshop.
- HOTZONE or COLDZONE conference.
- International Association of Fire Chief's (IAFC) hazmat conference or Midwestern hazmat conference.

Allowable Training Supplies/Equipment Expenditures

Examples of allowable training supplies/equipment expenditures:

- Rental equipment necessary to provide specific training, whether consumed in the training.

- Publications, manuals, and other materials necessary to provide training and are used by instructor(s) and trainees.
- Simulation software for training courses.
- Hazmat training suits for specific transportation related exercises (preferably used).
- Firefighting foam for specific transportation related exercise.
- Computer equipment used exclusively for activities allowable under this HMEP Grant (e.g., approved computer-based training activities).

Conditionally Allowable Training Expenditures

Examples of conditionally allowable training expenditures:

- Statewide conference emphasizing hazmat emergency response capabilities, collaboration, networking, and planning opportunities for responders.
- Regional hazmat conferences and workshops.
- Emergency operations center (EOC) leadership training – conditions include: training must focus on EOC leadership concerning hazmat preparedness and response.
- Fixed-facility hazmat training – conditions include: training that includes transportation of materials to and from fixed-facilities. Training that addresses the same capabilities that would be used to respond to a hazmat transportation incident.

Unallowable Training Expenditures

Examples of unallowable training expenditures:

- Courses not related to hazmat emergency response; expenses counted as match funds toward another federal grant program or cooperative agreement.
- Weapons of mass destruction (WMD), terrorism, and radiological courses; equipment for the purpose of response operations, such as self-contained breathing apparatus (SCBA), personal protective equipment (PPE), and monitoring equipment.
- Overtime of trainees and any other employees who “backfill” positions of trainees during the period of training.
- Salaries, backfills, and or overtime for responders, and salaries for LEPC members.
- Stipends.
- School violence prevention.
- Any costs disallowable or stated as ineligible in 49 Code of Federal Regulations (CFR) Part 110 Final Rule.

6. REQUIREMENTS

TRAINING CLASS SIZE

If the class enrollment is less than 10, the number that was typically used for past HMEP funded trainings, reimbursement may be denied if the training is conducted without prior authorization from KDEM/USDOT PHMSA. The LEPC must consider this aspect when contracting with a training provider or contractor and negotiate on the cancellation clause of the contract. Any change in the scope of work, including any change in the number of trainees or the number of training sessions, will require new approval from KDEM/USDOT.

TRAVEL

General (2 CFR 200.474)

Travel costs include expenses for transportation, lodging, subsistence, and related items incurred by employees who are in travel status on official business of the non-federal entity. Such costs may be charged on an actual cost basis, on a per diem or mileage basis in lieu of actual costs incurred, or on a combination of the two, provided the method used is applied to an entire trip and not to selected days of the trip, and results in charges consistent with those normally allowed in like circumstances in the non-federal entity's non-federally-funded activities and in accordance with non-federal entity's written travel reimbursement policies. Notwithstanding the provisions of 2 CFR 200.444 (general costs of government), travel costs of officials covered by that section are allowable with the prior written approval of the federal awarding agency or pass-through entity when they are specifically related to the federal award.

Lodging and Subsistence

Costs incurred by employees and officers for travel, including costs of lodging, other subsistence and incidental expenses, must be reasonable and otherwise allowable only to the extent such costs do not exceed charges normally allowed by the subrecipient in its regular operations as the result of the entity's written travel policy. In addition, if these costs are charged directly to the federal award documentation must justify that: (1) participation of the individual is necessary to the federal award; and (2) the costs are reasonable and consistent with non-federal entity's established travel policy.

REIMBURSEMENT

Reimbursement methodologies will be followed for the 2017-2018 HMEP grants. KDEM will submit reimbursement requests to USDOT PHMSA upon receipt of appropriate documents from the LEPCs. All reimbursement requests must be accompanied by paperwork that provides the basis for the request. This must include a completed reimbursement form provided by KDEM, proof of project completion (e.g. class rosters, evaluations, student certificates, etc.) and proof of payment (receipts/bills/invoices) for the completed work/project and local match documentation. The reimbursement request must also include certification by an official who is authorized to legally bind the non-federal entity. It takes approximately 4-6 weeks to process a reimbursement request and prepare a check for the LEPC.

Documents Required for Reimbursement/Closing:

- Invoice.
- Class roster.
- Pre-tests and post-tests.
- Evaluations.
- Closeout report.

SCOPE OF WORK AND PLANNING

Project Execution

If the proposal includes a hazardous materials planning or exercise activity, and a contractor is hired for the project, please ensure that the contractor completes the project in a timely manner so that the LEPC has sufficient time to review the product and close the grant with KDEM by the September 15 deadline. The LEPCs needs to submit contracts, scopes of work, or milestones that are identified with the vendor with the grant application or the grant contract if the project receives HMEP funding. Contractor reimbursements can be based on a quarterly basis or when pre-determined percentages of the project are completed. **The LEPC must ensure that the project will be completed by the end of the grant period and include appropriate clauses in their contract that any delay or failure to deliver the final product by the deadline will result in breach of contract and the contractor will be liable to return the funds in its entirety.**

Statement of Work for Commodity Flow Surveys

KDEM has developed a scope of work (SOW) for conducting commodity flow surveys to assist LEPCs. LEPCs should adapt this guide when developing the SOW for such studies and fit to their needs. The SOW is listed in *Appendix A*.

Statement of Work for Hazardous Analyses

KDEM has developed SOW for conducting hazardous analysis to assist LEPCs. LEPCs should adapt this guide when developing the scope of work for such studies and fit to their needs. The SOW is listed in *Appendix B*.

Statement of Work for Hazardous Materials Exercises

KDEM has developed a scope of work for conducting hazardous materials exercises to assist LEPCs. LEPCs should adapt this guide when developing the scope of work for such studies and fit to their needs. The SOW is listed in *Appendix C*.

PROGRESS REPORTING

Quarterly Progress Reports

Short quarterly reports are due at the end of first and third quarter. Please use the attached reporting form for quarterly reports (*Appendix D*). The deadlines for submitting reports to KDEM are described in the Section “Overview” in this guidance.

Mid-Year and Final Closeout Report

States are required to submit mid-year and final reports using a performance report form prescribed by USDOT PHMSA. KDEM has adopted this format for reporting requirement from LEPCs. Therefore, a mid-year report from the subrecipients is required for the grant progress reporting to USDOT. A copy of the reporting form is available on KDEM’s website. Upon completion of the project all subrecipients must provide the KDEM with a complete accounting of expenditures and all documentation verifying expenditures incurred, along with the required 20% match information. The documents should include copies of checks, orders and vouchers, receipts, invoices, bills, training certificates, class rosters, deliverables such as copies of completed plans, exercise reports and improvement plans, etc. illustrating that the funds were utilized to achieve the outcome of the project. If any of these documents are submitted earlier with reimbursement requests, county must list the items that were submitted earlier. Narrative information supporting soft match elements must be sufficiently explained to provide the reviewers adequate information to evaluate the appropriateness of the match. The report will also include certification by an official who is authorized to legally bind the non-federal entity. The mid-year and closeout documents shall be sent to L’Tanya Christenberry, Kansas Division of Emergency Management, 2800 SW Topeka Blvd., Topeka, KS 66611 or email to Ltanya.r.christenberry.nfg@mail.mil.

GRANT RESPONSIBILITIES AND MONITORING

All pass-through entities must comply with all federal laws and regulations and monitor grant performance schedules to ensure the targets are achieved. If applicable, pass-through entities will include federally recognized indirect cost rate negotiated between the subrecipient and its cognizant agency, if one exists. Otherwise, subrecipients who intend to claim reimbursement of indirect cost must develop an indirect cost proposal in accordance with the requirements of the 2 CFR 200 and maintain the proposal and related supporting documentation for audit. The recipient’s financial management system, including records documenting compliance with federal statutes, regulations, and the terms and conditions of the federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the federal statutes, regulations, and the terms and conditions of the Federal

award in accordance with 2 CFR 200.302 and 2 CFR 200.303. The recipient's financial management system must provide for the following:

- Identification, in its accounts, of all federal awards received and expended and the federal programs under which they were received. Federal program and federal award identification must include, as applicable, the Catalog of Federal Domestic Assistance (CFDA) title and number, federal award identification number and year, name of the federal agency, and name of the pass-through entity, if any.
- Accurate, current, and complete disclosure of the financial results of each federal award or program in accordance with the reporting requirements set forth in 2 CFR 200.327 Financial reporting, and 2 CFR 200.328 Monitoring and reporting program performance.
- Records that identify the source and application of funds for federally-funded activities. These records must contain information pertaining to federal awards, authorizations, obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.
- Effective control over, and accountability for, all funds, property, and other assets. The non-federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. For more information see 2 CFR 200.303 internal controls.
- Comparison of expenditures with budget amounts for each federal award.
- Written procedures to implement the requirements of 2 CFR 200.305 (Payment).
- Written procedures for determining the allowability of costs in accordance with 2 CFR Part 200 Subpart E—Cost Principles and the terms and conditions of this federal award.
- Written procedures for conflict of interest in accordance with 2 CFR 200.112.

CONFLICT OF INTEREST

The applicants are required to complete the “Conflict of Interest” declaration form (Appendix E), have it duly signed by appropriate authorities and submit it with the grant application.

7. EQUIPMENT

Definition

The federal definition of equipment is defined as tangible, non-expendable personal property with a unit acquisition cost of \$5,000 or more and with a useful life of more than one year. Purchase or rental of equipment may be allowed if the equipment is essential for the intended training or exercise project. The following conditions will apply for equipment:

- Any equipment purchased with HMEP grant funds must have a shelf life more than one year.
- The applicant LEPC must justify and describe in details why the equipment is necessary for the project.
or
- Purchased or rented equipment dedicated to HMEP grant planning sessions, exercises, and training are associated with a hazmat emergency preparedness activity.

Title

If equipment is obtained with HMEP grant funds, the title of the equipment will rest with the subrecipient. The subrecipient must list the person/entity responsible for maintenance, use, and custody of the equipment.

Use

The equipment is to be used for the authorized purposes until the equipment is no longer needed for the project or until the grant is ended. Equipment cannot be used for operational activities.

Management

The non-federal entity must maintain property records. A physical inventory of the equipment must be taken every two years. The records must include:

- The source of funding.
- The federal award identification number (FAIN).
- Who holds the Title.
- Acquisition date.
- Cost of the equipment.
- Percentage of federal share of the cost of the equipment.
- Location of the equipment; and
- Disposition information, including the date and sale price if applicable.

Disposition

- Value at disposition under \$5,000. The non-federal entity may dispose of the property as it chooses with no obligation to federal government.
- Value at disposition over \$5,000. The non-federal entity must request disposition from the federal granting agency.

8. UNIFORM ADMINISTRATIVE REQUIREMENTS, COST PRINCIPLES, AND AUDIT REQUIREMENTS FOR FEDERAL AWARDS

All sub grant recipients are required to comply with the Uniform Administrative Requirements, Cost Principles, And Audit Requirements for Federal Awards as described in 2 CFR Part 200. The subrecipient and its contractors, subcontractors, employees and representation must comply with all applicable provisions of 2 CFR 200, and any amendment to this agreement. Please use the following link for details. <http://www.gpo.gov/fdsys/pkg/FR-2013-12-26/pdf/2013-30465.pdf>. Listed below are some salient points from the guidance:

Procurement (200.318 - 200.326)

The non-federal entity must use its own documented procurement procedures which reflect applicable state and local laws and regulations, providing they conform to state and local laws and regulations and they are expected to conform to the guidance in 2 CFR 200.317-326. The non-federal entity must maintain oversight to ensure that contractors perform in accordance with the terms and conditions of their contracts or purchase orders. The non-federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award, and administration of contracts. Refer to 2 CFR 200.318 through 2 CFR 200.326 for details.

Competition (2 CFR 200.319)

All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards described in 2 CFR 200.319. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements. The non-federal entity must ensure that all prequalified lists of person, firms, or products that are used are current and include enough qualified sources to ensure maximum open and free competition. Refer to 2 CFR 200.319 for details.

Contract Cost and Price Analysis: The non-federal entity must perform a cost or price analysis in connection with every procurement action in excess of the Simplified Acquisition Threshold including contract

modifications. The method and degree of analysis is dependent on the facts surrounding the particular procurement situation, but as a starting point, the non-Federal entity must make independent estimates before receiving bids or proposals. Contracts for more than the simplified acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by the Civilian Agency Acquisition Council and the Defense Acquisition Regulations Council (Councils) as authorized by 41 U.S.C. 1908, must address administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as appropriate.

Contract Administration (2 CFR 200.323)

A system for contract administration shall be maintained to ensure contractor conformance with the terms, conditions and specifications of the contract. All contracts in excess of \$10,000 must address termination for cause and for convenience by the non-federal entity including the manner by which it will be effected and the basis for settlement. The non-federal entity may reference its own cost principles that comply with the Federal cost principles. Refer to 2 CFR 200.323 for further information on provisions such as Equal Employment Opportunity, Davis-Bacon Act, Copeland “AntiKickback” Act (40 U.S.C. 3145), Contract Work Hours and Safety Standards Act (40 U.S.C. 3701–3708), Rights to Inventions Made Under a Contract or Agreement, Clean Air Act (42 U.S.C. 7401–7671q.), Energy Policy and Conservation Act (42 U.S.C. 6201), Debarment and Suspension (Executive Orders 12549 and 12689), Byrd Anti-Lobbying Amendment (31 U.S.C. 1352), and Procurement of recovered materials (§200.322) that may need to be included in the contract. Refer to 2 CFR 200.323 for details on Contract Cost and Price.

Performance Measurement (2 CFR 200.301)

Recipients of federal awards must relate financial data to the performance accomplishments of an award. Recipients must also provide cost information to demonstrate cost effective practices.

Greater Focus on Internal Controls (2 CFR 200.303)

Organizations must establish and maintain effective internal controls over federal awards to provide reasonable assurance that awards are being managed in compliance with laws and regulations. Non-federal entities and their auditors will need to exercise judgment in determining the most appropriate and cost effective internal control in a given circumstance. Non-federal entities must also take measures to safeguard personally identifiable information.

Record Retention (2 CFR 200.333)

Financial records, supporting documents, statistical records, and all other non-federal entity records pertinent to a federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the federal awarding agency or pass-through entity (KDEM) in the case of a subrecipient. Federal awarding agencies and pass-through entities would not impose any other record retention requirements upon non-federal entities.

Conflict of interest (2 CFR 200.112, 2 CFR 200.318, 2 CFR 200.319, 2 CFR 200.430))

The federal awarding agency must establish conflict of interest policies for federal awards. The non-federal entity must disclose in writing any potential conflict of interest to the federal awarding agency or pass-through entity in accordance with applicable federal awarding agency policy. The following sections in 2 CFR 200 reflect on conflict of interest.

2 CFR 200.318 General procurement standards.

(c)(1) The non-federal entity must maintain written standards of conduct covering conflicts of interest and governing the performance of its employees engaged in the selection, award and administration of contracts. No employee, officer, or agent must participate in the selection, award, or administration of a contract

supported by a federal award if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract. The officers, employees, and agents of the non-federal entity must neither solicit nor accept gratuities, favors, or anything of monetary value from contractors or parties to subcontracts. However, non-federal entities may set standards for situations in which the financial interest is not substantial or the gift is an unsolicited item of nominal value. The standards of conduct must provide for disciplinary actions to be applied for violations of such standards by officers, employees, or agents of the non-Federal entity.

(2) If the non-federal entity has a parent, affiliate, or subsidiary organization that is not a state, local government, or Indian tribe, the non-federal entity must also maintain written standards of conduct covering organizational conflicts of interest. Organizational conflicts of interest means that because of relationships with a parent company, affiliate, or subsidiary organization, the non-federal entity is unable or appears to be unable to be impartial in conducting a procurement action involving a related organization.

2 CFR 200.319 Competition.

(a) All procurement transactions must be conducted in a manner providing full and open competition consistent with the standards of this section. In order to ensure objective contractor performance and eliminate unfair competitive advantage, contractors that develop or draft specifications, requirements, statements of work, and invitations for bids or requests for proposals must be excluded from competing for such procurements. Some of the situations considered to be restrictive of competition include but are not limited to:

(5) Organizational conflicts of interest:

2 CFR 200.430 Compensation—personal services.

(c) Professional activities outside the non-federal entity. Unless an arrangement is specifically authorized by a federal awarding agency, a non-federal entity must follow its written non-federal entity-wide policies and practices concerning the permissible extent of professional services that can be provided outside the non-federal entity for non-organizational compensation. Where such non-federal entity-wide written policies do not exist or do not adequately define the permissible extent of consulting or other non-organizational activities undertaken for extra outside pay, the federal government may require that the effort of professional staff working on federal awards be allocated between: (1) Non-federal entity activities, and (2) Non-organizational professional activities. If the federal awarding agency considers the extent of non-organizational professional effort excessive or inconsistent with the conflicts of interest terms and conditions of the federal award, appropriate arrangements governing compensation will be negotiated on a case-by-case basis.

Cost Sharing (2CFR200.306)

(a) Under Federal research proposals, voluntary committed cost sharing is not expected. It cannot be used as a factor during the merit review of applications or proposals, but may be considered if it is both in accordance with Federal awarding agency regulations and specified in a notice of funding opportunity. Criteria for considering voluntary committed cost sharing and any other program policy factors that may be used to determine who may receive a Federal award must be explicitly described in the notice of funding opportunity. Furthermore, only mandatory cost sharing or cost sharing specifically committed in the project budget must be included in the organized research base for computing the indirect (F&A) cost rate or reflected in any allocation of indirect costs. See also §§ 200.414 Indirect (F&A) costs, 200.203 Notices of funding opportunities, and Appendix I to Part 200—Full Text of Notice of Funding Opportunity.

(b) For all Federal awards, any shared costs or matching funds and all contributions, including cash and third party in-kind contributions, must be accepted as part of the non-Federal entity's cost sharing or matching when such contributions meet all of the following criteria:

- (1) Are verifiable from the non-Federal entity's records;
- (2) Are not included as contributions for any other Federal award;
- (3) Are necessary and reasonable for accomplishment of project or program objectives;
- (4) Are allowable under Subpart E—Cost Principles of this part;
- (5) Are not paid by the Federal government under another Federal award, except where the Federal statute authorizing a program specifically provides that Federal funds made available for such program can be applied to matching or cost sharing requirements of other Federal programs;
- (6) Are provided for in the approved budget when required by the Federal awarding agency; and
- (7) Conform to other provisions of this part, as applicable.

(c) Unrecovered indirect costs, including indirect costs on cost sharing or matching may be included as part of cost sharing or matching only with the prior approval of the Federal awarding agency.

Unrecovered indirect cost means the difference between the amount charged to the Federal award and the amount which could have been to the Federal award under the non-Federal entity's approved negotiated indirect cost rate.

(d) Values for non-Federal entity contributions of services and property must be established in accordance with § 200.434 Contributions and donations. If a Federal awarding agency authorizes the non-Federal entity to donate buildings or land for construction/facilities acquisition projects or long-term use, the value of the donated property for cost sharing or matching must be the lesser of paragraphs (d)(1) or (2) of this section.

- (1) The value of the remaining life of the property recorded in the non-Federal entity's accounting records at the time of donation.
- (2) The current fair market value. However, when there is sufficient justification, the Federal awarding agency may approve the use of the current fair market value of the donated property, even if it exceeds the value described in (1) above at the time of donation.

(e) Volunteer services furnished by third-party professional and technical personnel, consultants, and other skilled and unskilled labor may be counted as cost sharing or matching if the service is an integral and necessary part of an approved project or program. Rates for third-party volunteer services must be consistent with those paid for similar work by the non-Federal entity. In those instances in which the required skills are not found in the non-Federal entity, rates must be consistent with those paid for similar work in the labor market in which the non-Federal entity competes for the kind of services involved. In either case, paid fringe benefits that are reasonable, necessary, allocable, and otherwise allowable may be included in the valuation.

(f) When a third-party organization furnishes the services of an employee, these services must be valued at the employee's regular rate of pay plus an amount of fringe benefits that is reasonable, necessary, allocable, and otherwise allowable, and indirect costs at either the third-party organization's approved federally negotiated indirect cost rate or, a rate in accordance with § 200.414 Indirect (F&A) costs, paragraph (d), provided these services employ the same skill(s) for which the employee is normally paid. Where donated services are treated as indirect costs, indirect cost rates will separate the value of the donated services so that reimbursement for the donated services will not be made.

(g) Donated property from third parties may include such items as equipment, office supplies, laboratory supplies, or workshop and classroom supplies. Value assessed to donated property included in the cost

sharing or matching share must not exceed the fair market value of the property at the time of the donation.

(h) The method used for determining cost sharing or matching for third-party-donated equipment, buildings and land for which title passes to the non-Federal entity may differ according to the purpose of the Federal award, if paragraph (h)(1) or (2) of this section applies.

(1) If the purpose of the Federal award is to assist the non-Federal entity in the acquisition of equipment, buildings or land, the aggregate value of the donated property may be claimed as cost sharing or matching.

(2) If the purpose of the Federal award is to support activities that require the use of equipment, buildings or land, normally only depreciation charges for equipment and buildings may be made. However, the fair market value of equipment or other capital assets and fair rental charges for land may be allowed, provided that the Federal awarding agency has approved the charges. See also § 200.420 Considerations for selected items of cost.

(i) The value of donated property must be determined in accordance with the usual accounting policies of the non-Federal entity, with the following qualifications:

(1) The value of donated land and buildings must not exceed its fair market value at the time of donation to the non-Federal entity as established by an independent appraiser (e.g., certified real property appraiser or General Services Administration representative) and certified by a responsible official of the non-Federal entity as required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) (Uniform Act) except as provided in the implementing regulations at 49 CFR part 24.

(2) The value of donated equipment must not exceed the fair market value of equipment of the same age and condition at the time of donation.

(3) The value of donated space must not exceed the fair rental value of comparable space as established by an independent appraisal of comparable space and facilities in a privately-owned building in the same locality.

(4) The value of loaned equipment must not exceed its fair rental value.

(j) For third-party in-kind contributions, the fair market value of goods and services must be documented and to the extent feasible supported by the same methods used internally by the non-Federal entity.

CONTACT INFORMATION

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